

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

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ERIC REASON, an individual;
STEPHANIE BASS, an individual;
RASHEED REASON, individually and
as Co-Successor-in-Interest to
Decedent ERIC REASON II; TYRIQUE
REASON, individually and as Co-
Successor-in-Interest to
Decedent ERIC REASON II; K.R.,
individually and as Co-
Successor-in-Interest to
Decedent ERIC REASON II, by and
through his Guardian Ad litem
LATISHA PARKER; P.R.,
individually and as Co-
Successor-in-Interest to
Decedent ERIC REASON II, by and
through his Guardian Ad Litem
LATISHA PARKER; N.M.,
individually and as Co-
Successor-in-Interest to
Decedent ERIC REASON II, by and
through his Guardian Ad Litem
NIA MILLS; E.L.R., individually
and as Co-Successor-in-Interest
to Decedent ERIC REASON II, by
and through his Guardian Ad
Litem SHAWNTAY DAVIS; I.R.V.,
individually and as Co-
Successor-in-Interest to
Decedent ERIC REASON II, by and
through his Guardian Ad Litem
JULIA VELASQUEZ;

No. 2:20-cv-01900 WBS JDP

ORDER RE: MINORS' COMPROMISE

Plaintiffs,

v.

CITY OF RICHMOND, a municipal corporation, and the ESTATE OF VIRGIL THOMAS, individually and in his capacity as Police Sergeant for the CITY OF RICHMOND,

Defendants.

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The remaining plaintiffs in this action, Eric Reason, Stephanie Bass, Rasheed Reason, Tyrique Reason, K.R., N.M., and minor plaintiffs P.R., E.J.R., and I.V.R., have agreed with the remaining defendant City of Richmond upon a settlement of all remaining claims related to defendant police officer Virgil Thomas's fatal shooting of plaintiff Eric Reason while Thomas was off-duty.¹ (Docket No. 86.)

The parties agree to a preliminary total settlement amount of \$150,000 to resolve all claims, which includes \$17,257.02 in costs and fees of 25% of the total settlement, which is \$37,500. This leaves \$95,242.98 remaining for plaintiffs, which the parties agree will be divided equally among decedent plaintiff Eric Reason's seven biological children, for a total amount of **\$13,606.14** for each biological child. (Id.)

Minor plaintiffs P.R., E.J.R., and I.V.R. now bring renewed and unopposed² motions for minor's compromise. (Docket

¹ The court previously dismissed all claims against the estate of Virgil Thomas with prejudice. (Docket No. 85.).

² (See Docket No. 108 (Defendants' Statement of Non-

1 Nos. 104-06.) Previously, the court denied the motions for
2 minors' compromise because plaintiffs did not provide the court
3 with adequate information with which to determine the fairness of
4 the settlement to the minor children. (Docket No. 103.) Now,
5 plaintiffs provide an assessment of their legal claims and likely
6 damages.

7 The remaining claims are negligence, battery, and
8 violation of the Tom Bane Act (Docket No. 85.) The parties agree
9 that all these claims are subject to respondeat superior
10 liability against the City. This would require the jury to
11 conclude that Thomas was acting within the scope of his
12 employment for the City during the shooting, which plaintiffs
13 acknowledge will be difficult to do because both Reason and
14 Thomas are deceased³ and no audio recording or witness testimony
15 exists to substantiate what happened between Reason and Thomas
16 leading up to the shooting. Plaintiffs also admit that the same
17 dearth of evidence makes their Tom Bane Act argument difficult to
18 prove on the merits.

19 Plaintiffs state that they have a "strong fundamental
20 negligence claim." However, even as to that claim, plaintiffs
21 point out that contributory negligence would weigh against them
22 because Reason was indisputably armed with a firearm during the
23 incident. (Docket Nos. 104-06.)

24 Plaintiffs' only claimed damages are emotional damages.

25
26 Opposition).)

27 ³ Defendant Virgil Thomas died before being deposed or
28 questioned under oath.

Reason made no financial contributions to the surviving minor plaintiffs. Neither did the surviving plaintiffs incur any funeral costs or sustain any liens related to Reason's damages. Plaintiffs state that the high emotional toll of litigation, uncertainty of success at trial, cost of appeals over the next several years, the lack of comparable case law, the lack of witnesses or probative evidence, and the exposure to contributory negligence all counsel towards accepting the instant compromise settlement. (Id.)

Therefore, taking into all of the foregoing considerations, the court concludes that \$13,606.14 is a fair and reasonable settlement amount for each minor child. The court accordingly VACATES the hearing on these motions, currently scheduled on April 29, 2024, GRANTS the motions for approval of minors' compromise (Docket Nos. 104-06), and directs the respective guardians ad litem of the minor plaintiffs as follows.

I. P.R.

Petitioner Latisha Parker (hereinafter "Petitioner"), the appointed Guardian Ad Litem for the minor P.R., shall be directed as follows:

Upon receipt of settlement funds, Petitioner shall open an interest-bearing blocked trust account at an FDIC insured financial institution for the sole benefit of P.R., with the balance payable to P.R. upon his 18th birthday. Petitioner shall provide proof of compliance within 60 days.

II. I.V.R.

Petitioner Julia Velasquez (hereinafter 'Petitioner'), appointed Guardian Ad Litem for the minor I.V.R., shall be

1 directed to sign a settlement agreement including the following
2 terms:

3 Payment shall be made by **Defendant(s)** in the sum of
4 **\$13,606.14** to **Pacific Life Insurance Company** to provide for the
5 tax-free structured settlement set forth below ("Periodic
6 Payments"). The sum of **\$13,606.14** is to be used by **Defendant(s)**
7 to arrange for the purchase of a tax-free structured settlement
8 annuity policy from **Pacific Life Insurance Company**, through
9 Horacio Lleverino of Settlement Planners, Inc.

10 **Defendant(s)** shall execute a Settlement Agreement and
11 Release and execute a "Qualified Assignment" of its obligation to
12 make periodic payments pursuant thereto in compliance with IRC
13 Section 104(a)(2) and Section 130(c) of the Internal Revenue Code
14 of 1986, as amended. Said assignment shall be made to **Pacific**
15 **Life & Annuity Services, Inc.** ("Assignee"). Upon doing so,
16 **Defendant(s)** will no longer be obligated to make the future
17 periodic payments and the Assignee will be the Plaintiff's sole
18 obligor with respect to the future periodic payments, and
19 **Defendant(s)** will have no further obligations whatsoever to the
20 Plaintiff.

21 The Assignee shall purchase a structured settlement
22 annuity for **\$13,606.14** through **Pacific Life Insurance Company**
23 which is rated **A+ (Superior) Financial Size XV** through A.M. Best.
24 No part of said **\$13,606.14** may be paid to the **Petitioner**, this
25 Court having determined that a tax-free structured settlement is
26 in the best interest of the minor. **Petitioner** is authorized to
27 settle this claim and receive and negotiate funds on behalf of
28 the minor. No bond shall be required of **Petitioner**. Receipt for

1 purchase of annuity is to be filed with the Court within 60 days.
2 The following periodic payments will be made by **Pacific Life**
3 **Insurance Company**, payable to I.V.R.:

4 **Guaranteed Lump Sum Payment of \$5,000.00 payable on**
5 **1/18/2035 (Age 18)**

6 **Guaranteed Lump Sum Payment of \$23,413.40 payable on**
7 **1/18/2042 (Age 25)**

8 The future structured settlement payments listed above are
9 guaranteed based on current annuity rates and a projected annuity
10 purchase date on or before (06/01/2024). Any delay in funding
11 the annuity purchase may result in a delay of the payment dates
12 or a change in the payment amounts that shall be accurately
13 recorded in the settlement agreement and release, qualified
14 assignment and release document and annuity contract without the
15 need of obtaining an amended Petition/Court Order/New Infants
16 Compromise Order.

17 On receipt of the full amount of the settlement sum
18 here approved, Petitioner is authorized and directed to execute
19 and deliver to Defendant(s) a complete Settlement Agreement and
20 Release (which shall provide for a "Qualified Assignment" in
21 compliance with Section 130(c) of the Internal Revenue Code of
22 1986, as amended) and discharge of any and all claims of I.V.R.
23 arising from the facts set forth in the Petition, and a properly
24 executed dismissal with prejudice.

25 III. E.J.R.

26 Petitioner Shawntay Davis (hereinafter 'Petitioner'),
27 appointed Guardian Ad Litem for the minor E.J.R., shall be
28 directed to sign a settlement agreement including the following

1 terms:

2 Payment shall be made by **Defendant(s)** in the sum of
3 **\$13,606.14** to **Pacific Life Insurance Company** to provide for the
4 tax-free structured settlement set forth below ("Periodic
5 Payments").

6 The sum of **\$13,606.14** is to be used by **Defendant(s)** to
7 arrange for the purchase of a tax-free structured settlement
8 annuity policy from **Pacific Life Insurance Company**, through
9 Horacio Lleverino of Settlement Planners, Inc.

10 **Defendant(s)** shall execute a Settlement Agreement and
11 Release and execute a "Qualified Assignment" of its obligation to
12 make periodic payments pursuant thereto in compliance with IRC
13 Section 104(a)(2) and Section 130(c) of the Internal Revenue Code
14 of 1986, as amended. Said assignment shall be made to **Pacific**
15 **Life & Annuity Services, Inc.** ("Assignee"). Upon doing so,
16 **Defendant(s)** will no longer be obligated to make the future
17 periodic payments and the Assignee will be the Plaintiff's sole
18 obligor with respect to the future periodic payments, and
19 **Defendant(s)** will have no further obligations whatsoever to the
20 Plaintiff.

21 The Assignee shall purchase a structured settlement
22 annuity for **\$13,606.14** through **Pacific Life Insurance Company**
23 which is rated **A+ (Superior) Financial Size XV** through A.M. Best.
24 No part of said **\$13,606.14** may be paid to the **Petitioner**, this
25 Court having determined that a tax-free structured settlement is
26 in the best interest of the minor. **Petitioner** is authorized to
27 settle this claim and receive and negotiate funds on behalf of
28 the minor. No bond shall be required of **Petitioner**. Receipt for

1 purchase of annuity is to be filed with the Court within 60 days.
2 The following periodic payments will be made by **Pacific Life**
3 **Insurance Company**, payable to E.J.R.:

4 **Guaranteed Lump Sum Payment of \$5,000.00 payable on**
5 **12/05/2028 (Age 18)**

6 **Guaranteed Lump Sum Payment of \$13,042.28 payable on**
7 **12/05/2031 (Age 21)**

8 The future structured settlement payments listed above are
9 guaranteed based on current annuity rates and a projected annuity
10 purchase date on or before (06/01/2024). Any delay in funding
11 the annuity purchase may result in a delay of the payment dates
12 or a change in the payment amounts that shall be accurately
13 recorded in the settlement agreement and release, qualified
14 assignment and release document and annuity contract without the
15 need of obtaining an amended Petition/Court Order/New Infants
16 Compromise Order.

17 On receipt of the full amount of the settlement sum
18 here approved, Petitioner is authorized and directed to execute
19 and deliver to Defendant(s) a complete Settlement Agreement and
20 Release (which shall provide for a "Qualified Assignment" in
21 compliance with Section 130(c) of the Internal Revenue Code of
22 1986, as amended) and discharge of any and all claims of E.J.R.
23 arising from the facts set forth in the Petition, and a properly
24 executed dismissal with prejudice.

25 Unless otherwise ordered by the court, said dismissal
26 shall be filed with the court on or before **August 1, 2024**.

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IT IS SO ORDERED.

Dated: April 25, 2024



WILLIAM B. SHUBB

UNITED STATES DISTRICT JUDGE